

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

AMERICAN ECONOMY INSURANCE)		
COMPANY,)		
)	
Plaintiff,)		Case No. 3:23-cv-02602-RJD
)	
v.)		
)	
RAY JONES, <i>et al.</i> ,)		
)	
Defendants.)		

ORDER

DALY, Magistrate Judge:¹

This matter comes before the Court on Plaintiff’s Motion for Summary Judgment (Doc. 69) and Motion for Default Judgment (Doc. 79), and for case management purposes. On February 14, 2025, Plaintiff American Economy Insurance (“American Economy”) filed a Suggestion of Bankruptcy (Doc. 81) informing the Court that Defendant Ray Jones and his wife were debtors in a Chapter 7 bankruptcy petition seeking relief under Title 11, pending in the United States Bankruptcy Court for the Eastern District of Missouri, Bk. Case No. 25-10060 (the “Bankruptcy Case”). Thereafter, the Court entered an order staying this case pursuant to 11 U.S.C. § 362. Doc. 82. While the stay under 11 U.S.C. § 362 does not automatically extend to non-debtors, such as Defendant Cleaves, the Court stayed the case in its entirety to avoid inconsistent rulings between the Defendants. The parties were further ordered to file a status report regarding the bankruptcy proceedings by August 21, 2025, or within fourteen (14) days of any change in the status of the automatic stay in the Bankruptcy Case, whichever came first. *Id.*

¹ This case has been assigned to the undersigned Magistrate Judge pursuant to Administrative Order 257.

On August 20, 2025, American Economy filed the Status Report (Doc. 83), advising that, on July 22, 2025, the Bankruptcy Court issued a Discharge of Debtors Order and closed the Bankruptcy Case. Doc. 83, p. 1. American Economy asked the Court to lift the stay and rule on its pending motion for default judgment against Jones. Doc. 83, p. 2. American Economy, however, did not brief the Court on the implications of the bankruptcy proceeding and the discharge order on its claims.

It appears that Jones' Chapter 7 Voluntary Petition listed American Economy as a creditor for an unidentified amount, but only as to Jones' spouse, Kimberly Williams.² Bankruptcy Case, Doc. 26, p. 4. The debt was listed as being incurred in 2022 and being related to a civil suit. *Id.* Cleaves was also listed as an unsecured creditor for \$50,000.00 for property damage. Bankruptcy Case, Doc. 26, p. 9. The debt was incurred on September 24, 2022, and the underlying action's case number is listed as associated with the debt. Bankruptcy Case, Doc. 26, p. 9. Further, it appears that on October 30, 2024, four months before the opening of the Bankruptcy Case, Cleaves voluntarily dismissed the underlying lawsuit with prejudice. *See Cleaves v. Jones et al.*, Case No. 2023LA2, Alexander County, Illinois, Order Granting Motion to Dismiss.

In light of these developments, the previously imposed stay is **LIFTED**. However, additional briefing is necessary before ruling on American Economy's pending motions. Accordingly, by **December 5, 2025**, the parties are **DIRECTED** to file supplemental briefs addressing the implications of the bankruptcy proceeding and the voluntary dismissal with prejudice of the underlying lawsuit on each one of the pending motions and each one of American

² A district court may take judicial notice of bankruptcy documentation because it is part of public court records. *Kimble v. Donahoe*, 511 F. App'x 573, 575 n.2 (7th Cir. 2013) (citations omitted); *Gen. Elec. Cap. Corp. v. Lease Resolution Corp.*, 128 F.3d 1074, 1081–82 (7th Cir. 1997).

Economy's claims (declaration of no duty to defend Defendant Jones and of no duty to indemnify Jones and Cleaves).

IT IS SO ORDERED.

DATED: November 18, 2025

s/ *Reona J. Daly*
Hon. Reona J. Daly
United States Magistrate Judge